

SULZER TRAILS BOND GRAFTERS

Says a New York Syndicate
Was Back of Fraw-
ley Laws.

ISN'T NAMING NAMES

Agrees That "Comptroller's
Office and Frawley Slipped
Something Over."

GOIT IS ALL OVER NOW

Issues Have Been Sold at Good
Price, So Repeat Can
Avail Little.

Gov. Sulzer is sure that the bills repealing the Frawley laws, under which the State made a present of \$25,000,000 to holders of State bonds, were not "overlooked" in the hurriedly which attended the last hours of the Assembly session.

The Governor is willing, for the sake of charity, to talk about the repealing being "overlooked," as he said in his statement given to the public last Wednesday morning, but he says with Robert F. Wagner, leader of the Senate majority, when it comes to sizing up the situation.

Senator Wagner's comment as given to Mr. Sulzer was:

"It looks as though the Comptroller's office and Frawley had slipped one over on you and the Legislature, Governor."

No doubt Senator Wagner spoke in jest. But Gov. Sulzer doesn't take the Frawley bills as a joke, nor the failure of the repealing bills to pass, nor the fact that the State stands to lose \$25,000,000 in interest if the laws stay on the statute books. The Governor has been running down causes and effects and he already has a well defined idea as to where the trail leads.

Putting it in general terms Gov. Sulzer thinks that a syndicate in New York, which has been carrying State bonds for some time and stood to carry them for years to come, somehow aroused certain Senators to stand behind special legislation for the syndicate's immediate benefit. It was the same power, working through the same funds, perhaps, which mixed up the Assembly on the last day of the session to such a degree that Speaker Alfred E. Smith sent word twice to the Governor that the bills repealing the Frawley laws had been passed and that all the Governor had to do to make them effective was to affix his signature.

According to the undisputed records Senator James J. Frawley was the man who introduced the bills. Michael J. Walsh, ex-Mayor of New York, now Acting Comptroller, says the bills were drawn in the Comptroller's office. He does not deny, however, that they are virtual repeals of bills introduced in the Senate on the first day of the 1912 session by Thomas F. Grady.

After Senator Grady's death, Senator Frawley, also in the session of 1912, introduced a bill to accomplish the same purpose, that is, to increase the interest rate on bonds then outstanding, provided they were in the possession of insurance companies, savings banks or trust companies.

Gov. Sulzer sent Walsh to New York early in March to look over the bond market in the expectation that the State would have to put out \$12,000,000 of large canal and highway bonds. The Constitution provides that State bonds shall not be sold for less than ten per cent. But then in the possession of investors were bringing an only a few per cent, and they could not compete with the ever increasing issues of New York city bonds, which were paying higher rates of interest, sold for less and were equally safe investments.

Walsh reported back to the Governor that bankers might be patriotic, but business was business and there was no market for State five per cents. The Governor agreed with Walsh that the State had to make future issues more attractive. One suggestion was that they should be exempted from the State inheritance tax and another was that the interest rate should be increased to four or one-half.

The Governor has not been on good terms with the Comptroller's office and did not want to take the recommendations of Walsh without sounding them. So the State Treasurer, the Secretary of State and the Attorney General were called into conference. It was decided that bills should be introduced which would provide for the issue of new State bonds at 4 per cent, exempted from the inheritance tax.

The Governor's understanding was that the new laws should not be retroactive, that is, bonds already in the hands of investors should not be raised from 1 per cent to the rate they were then earning, but that the new bonds should be sold at 4 per cent.

Mr. Sulzer suggested that the Attorney General draw the bills. But he said, "The Comptroller's office had a number of experts who could draw such bills better than anybody else in the State service. Attorney General Carmody agreed and Walsh took the job back to his own office."

The Governor has assured his friends that the next thing he heard of the bills was that Senator Frawley had introduced a pair of measures which appeared to suit the case. They slipped easily through the Senate and the Assembly, and Walsh brought them to the Governor for his signature. Walsh told Mr. Sulzer that there was no time to lose, that the State was in need of money and that the bonds would have to be sold quickly. Are these bills exactly what he agreed upon? the Governor asked Walsh.

"Yes."

"Do they do anything but exempt new bonds from the inheritance tax and put them on a 4 per cent basis?"

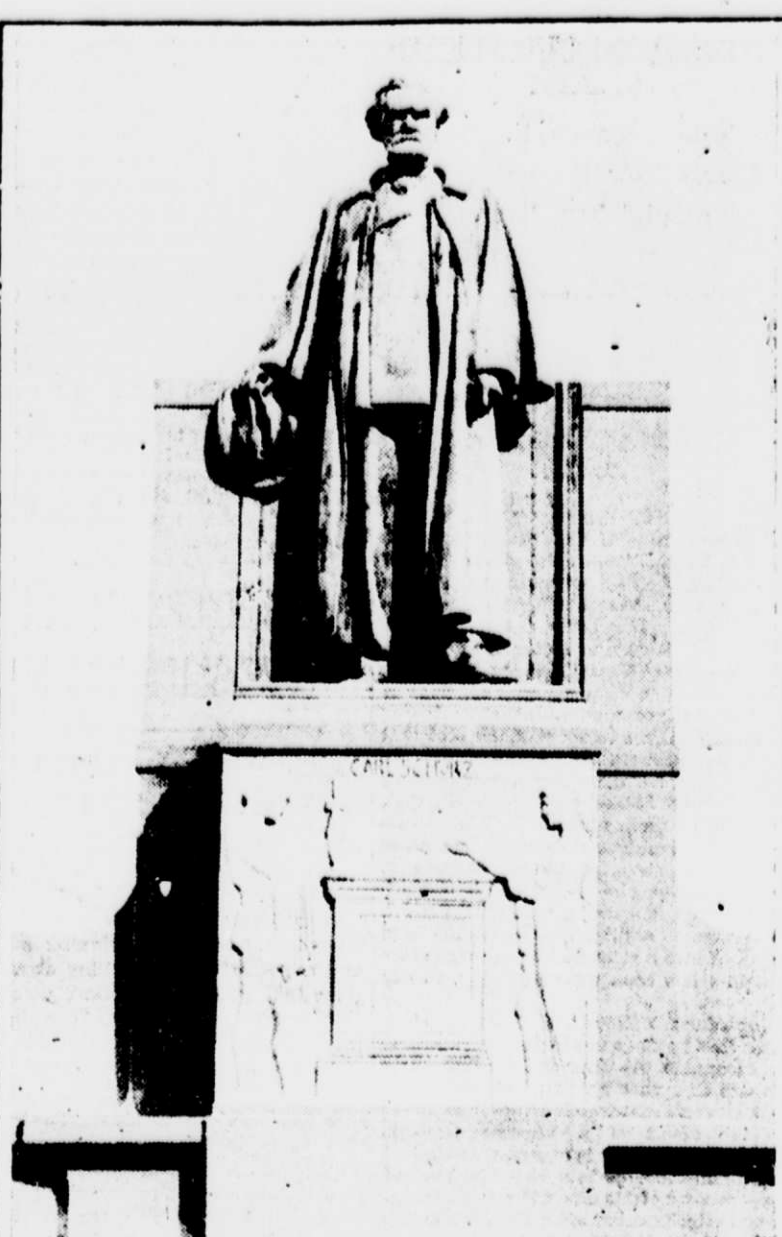
"That's all," Walsh is said to have replied. "These are the official bills as we agreed upon them."

Walsh has convinced his friends that he didn't realize precisely what the bills actually did accomplish. Neither did the Governor. A few days after the Frawley bills had become law, Gov. Sulzer had an awakening. He heard that the bills were retroactive and that the enormous issues of State bonds then outstanding were exempted by one-half of 1 per cent a year in interest.

The Governor was amazed at what he heard. He sent for Walsh, but the acting Comptroller was steadfast. The bills, he believed, were exactly what had been agreed upon.

Mr. Sulzer was not convinced. He sent

Carl Schurz Memorial Monument



THE MONUMENT TO CARL SCHURZ, ON MORRISTOWN DRIVE, 11th STREET, WILL BE UNVEILED AND DEDICATED AT 2:15 O'CLOCK THIS AFTERNOON.

The memorial monument to Carl Schurz, on Morristown Drive, 11th street, will be unveiled and dedicated at 2:15 o'clock this afternoon. The ceremony will be opened with singing by German societies, after which Joseph H. Choate, chairman of the Schurz memorial committee, will read the following letter from President Wilson:

"I am sorry that it is not possible for me to be present and speak in person in praise of the distinguished man whose statue you are about to unveil. One of the most gratifying elements of our national life is the part played by men here of the other side of the water who have shown America the true meaning of democracy and who have caught the real spirit of our institutions. I have had the honor to know many of them and all the more for that I am proud to have a statue in honor of one of them. The monument to Carl Schurz is a fitting tribute to a man who has done so much for our country and who has shown us the way to a better future."

A parade of regiments, militia, G. A. R. veterans and various German societies will start from Seventy-second street and march up Broadway, arriving at the monument after it has been unveiled. Major Gen. John P. O'Brien, commanding the State militia, will be grand marshal.

Mayor Gaynor will review the parade and speak at the dedication ceremony. The other speakers will be Borough President McAneny, who will represent the committee, the German Ambassador, Count von Bernstorff, Prof. William H. Carpenter of Columbia University and Representative Richard Bartholdt.

Among the civil war veterans who fought with Schurz and who will attend the ceremonies are Gen. F. A. Custer, Gen. Horace Porter, Major Gen. Grenville M. Dodge, Gen. Alfred Ames, Gen. James H. Wilson, Gen. J. Grant Wilson and Lieut. Gen. Nelson A. Miles.

On the reviewing stand as guests of honor will be Andrew Carnegie, Horace White, Karl Ritter, sculptor and designer of the monument, Dr. Abraham Jacob, Charles Francis Adams, the late Strunk Bookers T. Washington, George Haven Putnam and Major R. R. Mott and Dr. H. H. Prissell, both of Hampton Institute, toward which part of the Schurz memorial committee's \$33,000 fund will be devoted.

The monument stands in a circular clearing at the head of a long flight of stairs leading from the park to Morris Avenue. There is a fine foot statue showing Schurz in a long coat. The pedestal bears relief in polished granite and the inscription:

Carl Schurz
Born at Mayen, Germany
Died at Albany, N. Y.

Two large granite seats extend on either side of the statue and at each end is a bas-relief containing allegorical figures representing the principal activities of Schurz.

could not find the ones the Governor wanted. Mr. Sulzer was then told that they were still in the Assembly and that the Speaker had not yet signed them.

The Governor telegraphed to Mr. Smith, who had come to New York asking him to return to Albany at once. Smith took the midnight train. He assured Mr. Sulzer that they had passed but that he had forgotten to sign them.

Smith then went upstairs and looked through the journal. He could find no record of the passage of the bills. He went back to the Governor's office.

"I am sorry," Mr. Speaker said. "The bills were not passed. I am sorry that I am not going to call a special session on direct primaries, he would call one to repeal the Frawley laws."

It was then that he said that even if he weren't going to call a special session on direct primaries, he would call one to repeal the Frawley laws. He would call one to repeal the Frawley laws.

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UNDERWOOD THREAT STARTS A TEMPEST

Many Democrats condemn New
Policy of "Forging Irons
for Manufacturers."

SHARP WORDS IN SENATE

William Alden Smith Denounces
Democratic Leaders as
Hounding Business Men.

WASHINGTON, May 9. Nothing in the history of the tariff struggle thus far has stirred up so much feeling in Washington as the threats that have been uttered by Underwood and other prominent Democrats to investigate the operations of manufacturers who attempt to discredit the new tariff through reductions in wages.

Not only the Republicans but many Democrats are inclined to resent the belligerent attitude that the party leaders are assuming. All agree that it reflects an conviction on the part of the leaders that conditions are going to arise which will lead to charges that the new tariff is ruining American industries.

The feeling among the Republicans was voiced in the Senate today when William Alden Smith of Michigan charged that President Wilson and Secretary Redfield are "forging irons for the manufacturers of the country who dare to protest against the Underwood bill."

In Democratic official quarters it was apparent that arrangements were being pushed for the application of the new policy to cases where the officials were convinced that threats of reductions in wages were being made for political purposes.

The Department of Commerce, through the Bureau of Foreign and Domestic Commerce, already has taken steps to investigate the pottery industry, which has been contending that it could not contend on the present basis of wages with the rates provided in the Underwood bill.

It is learned that the Department of Commerce may conduct a similar investigation into the plate and window glass industry. The manufacturers of these products have expressed great dissatisfaction. Secretary Redfield has before him a suggestion of investigating that industry.

Other industries which have lodged protests may receive the attention of the Government's bureau. The determination of President Wilson to use the bureau in this way meets with the approval of the Democratic leaders.

They contend that in the past protected manufacturers have coerced their employees for political purposes and they do not intend to stand by and see such methods employed in any instance when they have at hand a means of ascertaining the facts.

The President and Secretary Redfield have received assurances from the House leaders that appropriations will be granted for the use of the bureau in accordance with any recommendations that may be forthcoming from the Executive. It is expected that before long Mr. Wilson will ask for a substantial appropriation for this purpose.

Mr. Underwood's exact words in regard to the powers of this bureau were sought by manufacturers today with great earnestness. The official record of the debate in the House shows that he said:

"When a great manufacturing institution is ready to threaten its laborers with a reduction of wages because they say there has been adverse action on legislation in Congress or to reflect on the action of the Government of the United States, that bureau has the power to go into their offices and ascertain whether there is real reason for their cutting the rates of wages of their labor or whether it is merely a selfish attempt to put money into their own pockets."

His statement has been made that this tariff bill will result on labor and affect wages of laboring men. I give you notice now that when the men from whom you bring that message endeavor to grind labor in the interest of Republican politics there is a bureau of this Government that is going to ascertain the reason why."

The edifying warning and the utterances of Secretary Redfield came in for considerable discussion in the Senate today. Senator Thomas of Colorado started it by reading a communication in a Detroit newspaper charging that employers were coercing their employees to sign protests against the tariff bill.

Turning to Senator Thomas he declared that all forms of coercion to influence sentiment against the tariff bill, "whether by the use of force or by the use of money, is a violation of the law."

Senator Smith of Michigan, a Republican, then jumped to his feet and charged that the statement which he had read in the Detroit newspaper was "a brazen effort" in making the statements which he had read in the Detroit newspaper.

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The National Association of Manufacturers, answered yesterday the report that President Wilson, Majority Leader Underwood and Secretary Redfield had threatened to "investigate" any attempt to close down factories in an attack upon the new tariff bill should it become law.

William F. Wakeman, treasurer and general secretary of the American Protective Tariff League, made almost the same reply. He said:

"No factories will be closed unless manufacturers cannot make money, and as far as an investigation is concerned, I know that every manufacturer in the United States would welcome the most searching inquiry."

As to the question of the Government's power and right to investigate the closing of a private concern, Mr. Wakeman said: "The Government has a perfect right to investigate, but it cannot control."

Mr. Bird characterized the talk about investigation as "a piece of work," he said, a part of the Administration policy, which he described as an attempt first to coerce a Legislature, then Congress, and now to coerce the manufacturers."

"Do they think," he asked, "that the American manufacturers are a lot of school children who will go on a strike because they don't like their teacher?"

He told how anxious he was to see great, favorable regular wages negotiated recently for the employees of a number of machines. The sale had been almost completed, he said, when the head of the firm wrote that the promised tariff reduction had caused him to seek bids from French manufacturers and that the sale would depend upon whether or not the local manufacturers could meet foreign prices.

"If the Bureau of Foreign and Domestic Commerce wants to investigate things of that nature," said Mr. Bird, "I'll throw open my files to the investigators. They might learn something."

Mr. Bird gave many reasons why the closing of mills and factories, which he said, the Administration justly anticipates, must take place. "Every dollar that comes into this country under the proposed new tariff will be a dollar that cannot be earned here," he said. "It is not the possible panic that they themselves expect that the Democrats are working for currency reform."

As an instance of what may happen in many formerly protected industries Mr. Bird told of the surface coated paper industry. This, he said, had grown up here because under the high tariff it was impossible to import the paper. So he said, mills had been built in New England, experts imported to teach the trade to our laborers and gradually an industry had been created which promised profit and steady employment.

In Springfield and Pawtucket, such industries had been established which represented investments of from \$10,000,000 to \$25,000,000, and from which no dividends ever had been paid, all profits going back into the business to build it up.

The paper manufactured by these plants, Mr. Bird said, cost \$2.95 a ream to make, while under the proposed tariff, which Mr. Bird said the manufacturers regarded as "practically passed already," the Boston paper makers, he said, could "lay down the paper on the docks in New York for \$1.52 a ream."

"That means of course," he said, "the death of an industry on this side of the water. The case, he insisted, was typical of the many little known industries that will get a deathblow from the new tariff."

"They'd better investigate the reasons for closing," he said, "then they'll learn the truth. But while they have their shots have brought down hundreds of smaller game they never thought to hurt."

Speaking more at length for the American Protective Tariff League, Mr. Wakeman said:

"We are connected with every producing industry in the United States and I do not know of one single producer or manufacturer who wants to curtail employment or shut down his factory. Today I met some of the largest manufacturers in the textile trade and they told me that they are operating on a 4 per cent basis. Certainly you would not expect a producer to do business for a smaller profit. It is simply a question with producers and manufacturers whether they can make money or not. They are not running their business for philanthropic purposes, whether it be by the instructions of Mr. Underwood or Mr. Wilson."

Asked if he believed that any American manufacturer would close his plant for a political reason, Mr. Wakeman said emphatically:

"No, not one!" And he added, "In my judgment the Underwood bill as passed by the House of Representatives, if in effect for four years will cost this country more than the civil war cost."

Mr. Bird said that Mr. Wakeman's estimate of the damage was no more alarming than the facts warranted and remarked that it followed that the work of investigating the closing of factories might be a big job.

Mr. Wakeman suggested that the demand for the kind of tariff legislation embodied in the Underwood bill could be ascertained before going on with an experiment which promised, he said, to do so much damage. Said he:

"Mr. Wilson is a minority President. The House of Representatives is a minority House, and the United States Senate is a minority Senate. I mean by that that Mr. Wilson, while elected, needed over 1,300,000 votes more to be a majority President. In Washington you have a minority President. The people of the United States never voted for the rates in the Underwood bill."

"Why not defeat the Underwood bill in the Senate and send the bill to the people? We have heard so much about referendum and everything of that kind, why not have a referendum of the Underwood tariff bill as passed? Let the voters of the country say whether they want it or don't want it. Representing the American Protective Tariff League as its general secretary, I think I could guarantee that our members and friends, if the people of the United States should vote for this bill, passed, would agree to its passage in sixty minutes after the reassembling of Congress."

CITY JOTTINGS.

A Chinaman named Wong Tai escaped from the steamer Wakefield early yesterday morning at the pier of the Standard Oil Company in Williamsburg. Capt. Martin is liable to a fine of \$1,000 if Wong is not caught.

Joseph Litch, 72, a inmate of the New York City Farm colony at New Springville, Staten Island, committed suicide about half a mile from the institution yesterday afternoon by hanging himself to a tree.

Anthony Bering was knuckled down and killed by an Adams express wagon at Forty-third street and Ninth avenue last night.

B. Altman & Co.

will place on Special Sale this day
(Saturday)

Several Thousand Yards of Desirable Dress Silks

including the following, at unusual
concessions from regular prices.

Imported Dress Silks, 32 to 42 inches wide, regular prices \$3.50 to 4.50 per yard at \$1.75

Imported Crepes in evening shades, 36 inches wide, regular price \$3.00 per yard at \$1.25

Checked Dress Taffetas, 36 inches wide, regular price \$2.25 per yard at 90c.

White Washable Habutai, 27 inches wide, regular price \$1.00 per yard at 60c.

Imported Fancy Taffetas, 19 inches wide, regular prices 75c. to \$1.25 yd. at 48c.

Sold in Dress Lengths only.

Other Special Sales for this day (Saturday) will consist of

Misses' and Small Women's Tailor-made Suits, Boys' Washable Norfolk Suits, Youths' Outing Trousers, Stationery and American Wilton Rugs.

B. Altman & Co. have ready for the outing season a new stock of Cameras and Photographic Supplies, at attractive prices.

Motoring Garments

in the new assortments for Summer are now ready for inspection; also Fitted Hampers, Suit Cases and a large selection of Leather Goods for the Motorist's use.

Motor Robes, Rugs, Pillows, etc.

The Shoe Department

is showing a new assortment of White Buckskin Shoes and Ankle Ties for Misses and Children; also low-heeled Shoes and Pumps for Misses.

All shoes for the younger set are made on lasts constructed especially to meet juvenile requirements and are fitted by thoroughly qualified salespeople.

Furs, Rugs, Draperies and Lace Curtains received for Storage.

Fifth Avenue, 34th and 35th Streets, New York.

CAPT. SCOTT'S STORY HERE FROM ENGLAND

Obtained From the Dead Explorer's Diary of 200,000 Words.

Trumbull White, who has been for two weeks in England conferring with Lady Scott, widow of the Antarctic explorer, and Lieut. Evans of the Scott expedition, returned last evening by the French liner France with 30,000 words of Capt. Scott's diary and a dozen developed films made by the intrepid Englishman just before he perished in a polar blizzard.

Mr. White said that Capt. Scott had written in these little books 200,000 words in calligraphy small but steady and almost as clear as if typewritten. He had sealed the three books and they were delivered to Lady Scott unopened.

From these 200,000 words Mr. White, with the assistance of Lady Scott and Leonard Huxley, son of the scientist, had called 20,000 for publication in *Everybody's Magazine*. The material is in the nature of narrative and is written in Capt. Scott's characteristic style, succinct and unadorned.

One of the photographs brought by Mr. White shows Capt. Scott bending over and

looking into the tent of Amundsen, who had anticipated the gallant Briton in his hunt for the south pole.

Mr. White went to England about a week ago to meet Lady Scott on her return to London with the diary which had been turned over to her in New Zealand. He had called on Mrs. Scott while she was in New Zealand and obtained from her the exclusive right for publication in *Everybody's* and the *Sunday English* edition of the diary, the large part of which was of a scientific nature. It took Mr. Huxley and Mr. White a long time and cost them much labor to extract and copy such parts as might be interesting to magazine readers.

Lady Scott was pleased with the generous offer of the publishers. Mr. White said he was not at liberty to tell how much he paid her for the diary, but that if the money were invested it would bring her an income of \$1,500, which is the amount of the pension granted to her by the British Government. The first installment of the diary will appear in the July number of *Everybody's* and will be published simultaneously in the English edition of the *Standard* and one of the published *Hachette* editions of the *Sunday English*.

Mr. White said that the diary was in clear up some of the veiled references in Capt. Scott's farewell message to his wife as he was regarded as the child of his nation. Mr. White said there was little doubt that Lady Scott, who has gone as a sculptor, would be commissioned by the British Government to design the monument to commemorate the heroism of Capt. Scott and his party.